

Amrinder Singh CA-2

(13)

GOVERNMENT OF INDIA
YOJANA BHAWAN
SANSAD MARG
NEW DELHI-110 001

L. RYNJAH, IAS
PRINCIPAL ADVISER
PLANNING COMMISSION
D.O. No. 13044/12/2009-Agri.

Dated 1.12.2009

Dear Sri Sahni,

I am pleased to inform you that Government of India have approved a Special Package for drought mitigation and a Comprehensive Package for Integrated Development of the Bundelkhand regions of Uttar Pradesh and Madhya Pradesh. The Package envisages an investment of Rs. 7266 crore in the Bundelkhand region of the two states, for the remaining period of the XI Plan. I am enclosing a brief note spelling out the broad outlines of the Package. Also enclosed is the list of various CSS/CS Schemes that could be dovetailed and implemented in the Bundelkhand area.

In order to put the Package on the ground the state has to quickly identify the Implementing Agency along with the Nodal Officer. Paragraphs relating to Implementing Agency in the enclosed note may kindly be perused, and necessary steps taken with intimation to the Planning Commission. Planning Commission is also in the meanwhile notifying the Monitoring Committee at the national level as envisaged in the Package.

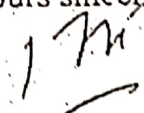
As you are aware the Package has been prepared in view of the severe drought conditions and their impact on the livelihoods of the people in the region. We hope the State will like to make full use of package to meet the challenge and ensure comprehensive development of the region.

A copy of this letter is also sent to the Secretaries of the concerned Ministries and also to the Chief Executive Officer, NRAA.

12.12.09
for
7/12/09
16/12/09
12/12/09
07/12/09
B.S.P.

With regards,

Encl: As above.

Yours sincerely,

(L. Rynjah)

Shri R.C. Sahni,
Chief Secretary,
Government of Madhya Pradesh,
Bhopal.

Copy to: ✓
1. Mr. J. R. Samra, Chief Executive Officer, National
Rural Drift Authority, NDA Complex, Plot No. 11, Delhi
2. Mr. L. K. Gupta, Chief Secretary, G.U.S.,
New Delhi

E-mail: l.rynjah@nic.in

Planning Commission
(Agriculture Division)

Subject: A Brief on Special Package for drought mitigation and a Comprehensive Package for Integrated Development of the Bundelkhand regions of Uttar Pradesh and Madhya Pradesh

The Cabinet in its meeting held on 19.11.2009 approved a Special Bundelkhand Drought Mitigation Package of Rs. 7266 crore comprising Rs. 3506 crores for Uttar Pradesh and Rs. 3760 crores for Madhya Pradesh, to be implemented over a period of 3 years. To implement the package Additional Central Plan Assistance of Rs. 3450 crore will be provided to the Governments of Uttar Pradesh and Madhya Pradesh over a period of three years- from 2009-10 to 2011-12- over and above the resources pooled from various ongoing schemes of different departments. For implementation of the package the States will nominate an agency, which will be made responsible for coordinating with different implementing agencies to execute various interventions proposed under the package, in an effective and time-bound manner under the guidance of the National Rainfed Area Authority.

2. The region comprises of seven districts of Uttar Pradesh (Banda, Chitrakout, Hamirpur, Jalaun, Jhansi, Lalitpur and Mahoba) and six districts of Madhya Pradesh (Chhatarpur, Damoh, Datia, Panna, Sagar and Tikamgarh).

Background

3. Bundelkhand region in both the States has had deficient rainfall consecutively since 2004-05. Considering the hardship faced by the people in the region and the representations made for Central Assistance by the State Governments of UP and MP, the Union Department of Agriculture and Cooperation set-up an Inter-Ministerial Central Team (IMCT) to visit the Bundelkhand areas and to assess the ground situation in order to recommend strategies and measures that are required for agricultural development suitable for the areas. The Inter-Ministerial Central Team (IMCT) led by the Chief Executive Officer of National Rainfed Area Authority (NRAA), with representatives from the Ministries/ Departments concerned visited the areas and held consultations with the two State Governments and the farmers' representatives in January and February 2008. On the basis of these extensive interactions the Team submitted its report in April 2008 recommending a drought mitigation package at a cost of Rs. 8,316 crore. Of these recommendations the components relating to debt relief has already been covered under the farmers' debt relief scheme announced by the Central Government in 2008; and the components of agricultural research will be separately considered by the Department of Agricultural Research and Education. The present package contemplates to put into operation the rest of the recommendations of the Team which relate to drought mitigation strategies and measures for the region.

Strategy

4. The prime mover of the package is optimization of water resources through rainwater harvesting and through proper utilization of the river systems. Intensive and diversified agriculture is to be promoted for productivity gains in the crops along with promoting higher sown area in the Kharif season. Animal husbandry and dairy activities will be expanded as an ancillary activity to enhance farmers' incomes to cope with the drought conditions.

Some specific major targets

5. Some selected major targets of the package are as follows:-

- Develop 7 lakh hectare of land in UP and four lakh hectare in MP with watershed development measures.

- Additional 60,000 hectares of forest areas in UP and 2 lakh hectares of forest areas in MP will be taken up for integrated conservation and management of rainfall, soil, and biomass in the natural sequence of watershed treatment from ridge to valley.
- 20,000 New dug wells in each state and 30,000 farm ponds will be constructed to store rain-water for providing irrigation at critical stages.
- To raise and diversify farmers' income extension activities on agriculture technology will be intensively promoted to improve the crop productivity in the region along with animal husbandry and arid horticulture
- Irrigation facilities, marketing infrastructure and agricultural risk management will be important areas of focus.

Funding the package

6. The activities proposed to be implemented under the package are estimated to cost Rs. 7266 crore over a period of 3 years. A part of the cost of the package this cost will be met by converging resources from ongoing central programmes and schemes. To meet the gaps in availability of financial resources and provide a thrust to the drought mitigation package an additional plan central assistance to the tune of Rs. 3450 crore will be provided to the 2-State Governments of Madhya Pradesh and Uttar Pradesh over a period of three years commencing from 2009-10.

Implementing agencies

7. The two State Governments will identify their respective nodal agencies which will draw the project proposals for implementation in their respective Bundelkhand areas ensuring convergence with the Centrally Sponsored/ funded programmes and the district agricultural plans. In order to enhance the benefits to the region the National Rainfed Area Authority (NRAA) will examine and approve these projects ensuring synergisation of the proposals of the State Governments with the ongoing central programmes. To monitor the progress of implementation of the special package for Bundelkhand, a Monitoring Group shall be constituted at the Center with the Members, Planning Commission in-charge of U.P. and M.P. as chairperson and co-chairperson; the Secretaries of the concerned line departments, CEO of NRAA and the Chief Secretaries of Uttar Pradesh and Madhya Pradesh as members of the Monitoring Group; and the Principal Adviser/Senior Adviser/ Adviser in-charge of these States in the State Plan Division in the Planning Commission as the Member-Secretary. NRAA shall undertake visits to the area, and periodically submit the progress of implementation to the Monitoring Group.

Benefits:

8. The emphasis in the package on watershed development and irrigation facilities will equip the region in coping with drought with resilience. The promotion of drought resistant arid-horticulture as well as the animal husbandry activities will diversify the farmers' incomes to more assured sources. Interventions on the forest land will help in planting of local grasses and fruit bearing trees like Amla, Ber, Bel etc. which will restore not only the degraded forests but will also meet the essential livelihood needs of the people for fuelwood, fodder for the cattle while enhancing the drinking and ground water availability. The successful implementation of the package is expected to mitigate the effect of drought in the region.

ANNEXURE I MP

FINANCING THE MEDIUM- AND LONG-TERM MEASURES AS PER IMCT PROPOSED FOR REHABILITATION PACKAGE FOR BUNDELKHAND - MADHYA PRADESH

(Rs. in Crore)

Sl. No.	Name of Sector	As proposed in the Inter-Ministerial Central Team Report	Proposed for financing from the On-going CS/CSS					Total through CS/CSS	Not Required at Present	TOTAL (COL 11 + 12)	GAP BETWEEN COL 5 & 11 TO BE FINANCED THROUGH ACS
			GOI Share	STATE GOVT Share	BENEFICIARY Share	NREGA	BRGF/RKVY				
1	2	3	4	5	6	7	8	9	10	11	12
1	Institutional Credit										
	i. Debt Relief	530							530.00	530.00	
	ii. Crop Insurance	50	50.00					50.00		50.00	
	Sub Total	580	50.00	0.00	0.00	0.00	0.00	50.00	630.00	680.00	0.00
2	Watershed Management										
	i. Watershed Management in Arable and Watershed (4 lakh hectares in MP @ Rs. 12,000/- ha.)	480	480.00					480.00		480.00	
	ii. Farm ponds (30,000 ponds in MP @ Rs. 60,000 per pond)	180			90.00			90.00		90.00	90.00
	iii. Construction of new dug wells (20,000 in MP @ Rs. 1 lakh per well)	200			100.00		200.00	300.00		300.00	
	iv. Renovation and recharging of dug wells, tanks and ponds	440			220.00			220.00		220.00	220.00
	Sub Total	1300	480.00	0.00	0.00	410.00	200.00	1090.00		1090.00	210.00
3	Water Resource										
	i. Modernisation and Development of irrigation systems	1118	167.00		70.00			237.00		237.00	881.00
	ii. Ken-Betwa River Linkage										
4	Agriculture										
	i. Contingency cropping, seed multiplication/banks	100	100.00					100.00		100.00	
	ii. Micro-Irrigation	50	20.00	5.00	25.00			50.00		50.00	
	iii. Warehousing marketing infrastructure (@ Rs. 100 crore per district)	600	5.50					5.50		5.50	594.50
	iv. Capacity building	50	50.00					50.00		50.00	
	v. Mechanisation for zero tillage, broad bed and furrow system, multipurpose planter (custom hiring) (@ Rs. 30,000+tractor 4.5 HP @ Rs. 4.8 lakh each- one set for each 100ha.	100	25.00		75.00			100.00		100.00	
	vi. Strengthening of Agriculture College, Tikamgarh, MP	20						0.00	20.00	20.00	
	Sub Total	920	200.50	5.00	100.00	0.00	0.00	305.50	20.00	325.50	594.50
5	Animal Husbandry activities including a meat and milk processing plant	100	10.15	4.15	0.00		25.00	39.30		39.30	60.70
6	Diversification into Horticulture	50	26.00	2.89	21.11			50.00		50.00	
7	Forest land (2 lakh hectares in MP @ 12,000/ha)	242	20.00			115.00		135.00		135.00	107.00
	Grand Total	4310	953.65	12.04	121.11	595.00	225.00	1906.80	560.00	2466.80	1853.20

Financial Implication of the Measures included in the Drought Mitigation Package with likely Financial Contribution of Centrally Sponsored and Central Sector Schemes

Sl. No.	Measure	Department	Scheme	Estimate in Report			Funds available from							NOT REQUIRED AT PRESENT	Sub Total (Col. 8 to 13)	GAP to be met from ACA	Remarks
				U.P.	M.P.	Total	GOI share from on-going schemes	State Share	Beneficiary Share	NREGA	BRGF/RKVVY	13	14				
1	Animal Husbandry	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
1	Animal Husbandry activities including a meat and milk processing plant	Animal Husbandry, Dairying and Fisheries		100	100	200	20.31	8.29	0.00	0.00	50.00		78.60	121.40			
1	Contingency cropping, seed multiplication, etc.	DAC	Macro Management of Agriculture, RKVY and	100	100	200	200						200.00	0.00			
2	Micro Irrigation	DAC	Development and Strengthening of Infrastructure facilities for production and distribution of quality seeds.	50	50	100	40	10	50				100.00	0.00	50% subsidy (40% Centre+10% state) and 50% beneficiary contribution.		
3	Warehousing, marketing infrastructure and one oil mill for sesame	Agriculture and Cooperation	Scheme for development strengthening of agricultural marketing infrastructure, grading and standardization	700	600	1300	12						12.00	1288.00	Can be further supplemented, under NHM/NHB to some extent, based on States' proposal		
4	Mechanization for broad bed & furrow system	DAC	Macro Management of Agriculture	50	100	150	37.5		112.5				150.00	0.00	DAC suggests 300 custom hiring centres at Rs 63 lakh each		
5	Capacity building	DAC	Agriculture Technology Management Agency	50	50	100	100						100.00	0.00			
6	Up-gradation of Agriculture research institutes	DAC	Indian Council of Agricultural Research	100	20	120	0					120	120.00	0.00	Cabinet Note to be brought up separately by DARE.		
7	Diversification into Horticulture	DAC	National Horticulture Mission	50	50	100	52	5.8	42.22				100.00	0.00			
				1100	970	2070	441.5	15.78	204.7	0	0	120	781.9978	1288			

No. M-1304/12/2008-Agr.
 Government of India
 Planning Commission
 (Agriculture Division)

Annexure-II

Financial Implication of the Measures Included in the Drought Mitigation Package with Likely Financial Contribution of Centrally Sponsored and Central Sector Schemes

Sl. No.	Measure	Department	Scheme	Estimate in Report			Funds available from						NOT REQUIRED AT PRESENT	Sub Total (Col. 8 to 13)	GAP to be met from ACA	Remarks
				U.P.	M.P.	Total	GOI share from on-going schemes	State Share	Beneficiary Share	NREGA	BRC/RYV	13				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
	Environment and Forest															
	1 Watershed management in forests	Environment and Forests	National Afforestation Programme	72	242	314	25.44			150			175.44	138.56		
	Environmental and Forest - Total															
	Institutional Credit:															
	1 Crop Insurance	DAC	National Agricultural Insurance Scheme	50	50	100	100						100.00	0.00		
	2 Debt Relief	Finance	Debt relief scheme	400	530	930	0					930	930.00	0.00		
					450	680	1030	100	0	0	0	930	1030.00	0.00		
					Water Resource											
	1 Changing Pump Sets, reconstruction of water distribution network etc.	Water Resources	Accelerated Irrigation Benefits Programme	50	0	50	0						0.00	50.00	In case of drought prone/tribal districts Central Assistance under AIBP would be 90% (incl 25%)	
	2 Command Area Development of Rajghat Canal Systems	Water Resources	CAD & WM	200	100	300	150						150.00	150.00	would be 90% (incl 25%)	
	3 Completion of 9 ongoing minor irrigation schemes	Water Resources	Accelerated Irrigation Benefits Programme	0	125	125	0						0.00	125.00		
	4 Completion of ongoing works of dams, canals etc. including restoration of works of dams	Water Resources	Accelerated Irrigation Benefits Programme	8	0	8	2						2.00	6.00		
	5 Incomplete Beniyapur Project	Water Resources	Accelerated Irrigation Benefits Programme	0	236	236	59						59.00	177.00	In case of drought prone/tribal districts Central Assistance under AIBP would be 90% (incl 25%)	
	6 Repair and Renovation of Ponds/Tanks including development of its command areas	Water Resources	RRR of Water Bodies	100	80	180	45						45.00	135.00	In case of drought prone/tribal districts Central Assistance under AIBP would be 90% (incl 25%)	
	7 Repair of Lift Irrigation Schemes in Jalau	Water Resources	Accelerated Irrigation Benefits Programme	2	10	12	0						0.00	12.00		

Financial Implication of the Measures Included in the Drought Mitigation Package with likely Financial Contribution of Centrally Sponsored and Central Sector Schemes

(Amount in Rs. Crore)

Sl. No.	Measure	Department	Scheme	U.P.	M.P.	Total	GOI share from on-going schemes	State Share	Benefit Share	NRGA	BRGF/RKVY	NOT REQUIRED AT PRESENT	Sub Total (Col. 8 to 13)	GAP to be met from ACA	Remarks
1	Restoring capacities of canals, repairs, renovation and remodelling of canals and construction of new canals for the purpose of taking up new 107 minor schemes.	Water Resources	Accelerated Irrigation Benefits Programme	284	150	434	109	0	0	56	0	0	165.00	269.00	In case of drought prone/Tribal districts Central Assistance under AIBP would be 90% (not 25%)
2	Water Resource Total			644	1118	1762	365	0	0	106	0	0	471.00	1291.00	6 blocks in MP are DPAP blocks
3	1 Constitution of new dug well	Panchayati Raj	Backward Region Grant Fund/NRGA	200	200	400	0	0	0	200	200	0	400.00	0.00	
4	2 Farm Ponds	Rural Development	NRGA	300	180	480	0	0	0	240	0	0	240.00	240.00	
5	3 Renovation and recharging of dugwells, tanks	Water Resources	NRGA	300	440	740	0	0	0	370	0	0	370.00	370.00	
6	4 Watershed Management in Arable and Wasteland	Land Resources	Integrated Watershed Management Programme	810	465	1275	1275	0	0	0	0	0	1275.00	0.00	
7		Agriculture and Cooperation	Macro Management of Agriculture	30	15	45	45	0	0	0	0	0	45.00	0.00	
8	Watershed Management Total			840	480	1320	1320	0	0	0	0	0	1320.00	0.00	
9	Grand Total			1640	1300	2940	1320	0	0	810	200	0	2330	610	
10				4006	4310	8316	2272.26	24.07	204.7	1066	250	1050	4867.0	3448.96	